

St. Thomasenergyinc.

We're Your Local Power Distributor

March 28, 2008

Ontario Energy Board
27th Floor
2300 Yonge Street
Toronto, Ontario
M4P 1E4

Attention: Board Secretary

Dear Sir/Madam:

**St. Thomas Energy Inc.
2008 Draft Rate Order
Licence# EB-2002-0523
2008 IRM File # EB-2007-0841**

As per correspondence received from the Ontario Energy Board ,dated March 25, 2008, concerning a decision rendered on the 2008 Distribution Rate Application , a Tariff of Rates and Charges is attached along with an explanation of changes to the supporting rate model returned from the OEB on March 25, 2008.

This draft rate order has been filed in the following OEB requested format:

- electronically through the Board's web portal, one (1) electronic version of the draft rate order in searchable PDF format in the prescribed file naming format;
- emailed to boardsec@oeb.gov.on.ca. one (1) electronic version of the draft rate order in PDF format and the Tariff of Rates and Charges in Word format and a copy of the revised supporting rate mode in MS Excel format in the prescribed file naming format and;
- couriered in paper format: two (2) paper copies of the draft rate order including a CD containing an electronic copy of all files sent via email.

Respectfully submitted for the Board's consideration.

A handwritten signature in blue ink, appearing to be 'Brian Hollywood', with a stylized flourish at the end.

Brian Hollywood,
President and Chief Executive Officer

Manager's Summary

Changes to the Rate Supporting Model

The following comments address changes to the rate supporting model received back from the OEB via email on March 25, 2008. Only tabs from the spreadsheet that were changed are disclosed.

Revisions:

Tab 1 - LDC Information

Cell C16 "2008 IRM EB #" changed to EB-2007-0841

Tab 9A – 2008 RTS Rate Changes

Updated individual classes with retail transmission rates for network and transmission sub components that exclude the deferral account balances as per Option B on the Overall Summary Tab in the Retail Transmission Rate Proposal – Revised sent to the OEB March 4, 2008.

Tab 12 – Bill Impact May 07 vs May 08

Updated GST cells for each Customer Class from 6% to 5% in Column G in 2008 Bill Rate section

A review of the income tax rate change to 33.5% was made and confirmed.

All changes to Distribution Rates were reviewed and confirmed for completeness and accuracy as a result of the Price Escalator and 2008 Corporate Income Tax % changes.

Authorization

I have the authority to bind the Corporation:



Brian Hollywood,
President and Chief Executive Officer

St. Thomas Energy Inc.

TARIFF OF RATES AND CHARGES

Effective May 1, 2008

This schedule supersedes and replaces all previously approved schedules of Rates, Charges and Loss Factors

EB-2007-0841

APPLICATION

- The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Codes, Guidelines or Orders of the Board, and amendments thereto as approved by the Board, which may be applicable to the administration of this schedule.
- No rates and charges for the distribution of electricity and charges to meet the costs of any work or service done or furnished for the purpose of the distribution of electricity shall be made except as permitted by this schedule, unless required by the Distributor's Licence or a Code, Guideline or Order of the Board, and amendments thereto as approved by the Board, or as specified herein.
- This schedule does not contain any rates and charges relating to the electricity commodity (e.g. the Regulated Price Plan).

EFFECTIVE DATES

DISTRIBUTION RATES - May 1, 2008 for all consumption or deemed consumption services used on or after that date.
SPECIFIC SERVICE CHARGES - May 1, 2008 for all charges incurred by customers on or after that date.
LOSS FACTOR ADJUSTMENT – May 1, 2008 unless the distributor is not capable of prorating changed loss factors jointly with distribution rates. In that case, the revised loss factors will be implemented upon the first subsequent billing for each billing cycle.

SERVICE CLASSIFICATIONS

Residential

This classification refers to an account taking electricity at 750 volts or less where the electricity is used exclusively in a separately metered living accommodation. Customers shall be residing in single-dwelling units that consist of a detached house or one unit of a semi-detached, duplex, triplex or quadruplex house, with a residential zoning. Separately metered dwellings within a town house complex or apartment building also qualify as residential customers.

General Service Less Than 50 kW

This classification refers to a non residential account taking electricity at 750 volts or less whose monthly average peak demand is less than, or is forecast to be less than, 50 kW.

General Service 50 to 4,999 kW

This classification refers to a non residential account whose monthly average peak demand is equal to or greater than, or is forecast to be equal to or greater than 50 kW but less than 5,000 kW.

Large Use

This classification refers to an account whose monthly average peak demand is equal to or greater than, or is forecast to be equal to or greater than, 5,000 kW.

Unmetered Scattered Load

This classification refers to an account taking electricity at 750 volts or less whose monthly average peak demand is less than, or is forecast to be less than, 50 kW and the consumption is unmetered. Such connections include cable TV power packs, bus shelters, telephone booths, traffic lights, railway crossings, etc. The customer will provide detailed manufacturer information/ documentation with regard to electrical demand/consumption of the proposed unmetered load.

Sentinel Lighting

This classification refers to an account for individual lighting on private property controlled by photo cells. The consumption for these customers will be based on the calculated connected load times the required lighting times established in the approved OEB street lighting load shape template.

Street Lighting

This classification refers to an account for roadway lighting with a Municipality, Regional Municipality, Ministry of Transportation and private roadway lighting operation, controlled by photo cells. The consumption for these customers will be based on the calculated connected load times the required lighting times established in the approved OEB street lighting shape template.

St. Thomas Energy Inc.

TARIFF OF RATES AND CHARGES

Effective May 1, 2008

This schedule supersedes and replaces all previously approved schedules of Rates, Charges and Loss Factors

EB-2007-0841

MONTHLY RATES AND CHARGES

Residential

Service Charge	\$	11.27
Distribution Volumetric Rate	\$/kWh	0.0157
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0047
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0046
Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0010
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

General Service Less Than 50 kW

Service Charge	\$	15.87
Distribution Volumetric Rate	\$/kWh	0.0143
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0046
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0045
Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0010
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

General Service 50 to 4,999 kW

Service Charge	\$	73.66
Distribution Volumetric Rate	\$/kW	2.9803
Retail Transmission Rate – Network Service Rate	\$/kW	1.8316
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	1.7783
Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0010
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

Large Use

Service Charge	\$	609.27
Distribution Volumetric Rate	\$/kW	0.7109
Retail Transmission Rate – Network Service Rate – Interval Metered	\$/kW	2.1507
Retail Transmission Rate – Line and Transformation Connection Service Rate – Interval Metered	\$/kW	2.0881
Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0010
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

St. Thomas Energy Inc.

TARIFF OF RATES AND CHARGES

Effective May 1, 2008

This schedule supersedes and replaces all previously approved schedules of Rates, Charges and Loss Factors

EB-2007-0841

Unmetered Scattered Load

Service Charge (per customer)	\$	7.80
Distribution Volumetric Rate	\$/kWh	0.0143
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0033
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0032
Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0010
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

Sentinel Lighting

Service Charge (per connection)	\$	1.31
Distribution Volumetric Rate	\$/kW	5.1557
Retail Transmission Rate – Network Service Rate	\$/kW	1.1510
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	1.1174
Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0010
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

Street Lighting

Service Charge (per connection)	\$	0.04
Distribution Volumetric Rate	\$/kW	0.2670
Retail Transmission Rate – Network Service Rate	\$/kW	1.4122
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	1.3711
Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0010
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

Specific Service Charges

Customer Administration		
Arrears certificate	\$	15.00
Statement of Account	\$	15.00
Pulling post dated cheques	\$	15.00
Duplicate invoices for previous billing	\$	15.00
Request for other billing information	\$	15.00
Easement letter	\$	15.00
Income tax letter	\$	15.00
Notification charge	\$	15.00
Account history	\$	15.00
Credit reference/credit check (plus credit agency costs)	\$	15.00
Returned cheque charge (plus bank charges)	\$	15.00
Charge to certify cheque	\$	15.00
Legal letter charge	\$	15.00
Account set up charge/change of occupancy charge (plus credit agency costs if applicable)	\$	30.00
Special meter reads	\$	30.00
Meter dispute charge plus Measurement Canada fees (if meter found correct)	\$	30.00

St. Thomas Energy Inc.
TARIFF OF RATES AND CHARGES
Effective May 1, 2008

This schedule supersedes and replaces all previously approved schedules of Rates, Charges and Loss Factors

		EB-2007-0841
Non-Payment of Account		
Late Payment - per month	%	1.50
Late Payment - per annum	%	19.56
Collection of account charge – no disconnection	\$	30.00
Collection of account charge – no disconnection – after regular hours	\$	165.00
Disconnect/Reconnect at meter – during regular hours	\$	65.00
Disconnect/Reconnect at meter – after regular hours	\$	185.00
Disconnect/Reconnect at pole – during regular hours	\$	185.00
Disconnect/Reconnect at pole – after regular hours	\$	415.00
Install/Remove load control device – during regular hours	\$	65.00
Install/Remove load control device – after regular hours	\$	185.00
Specific Charge for Access to the Power Poles – per pole/year	\$	22.35
Allowances		
Transformer Allowance for Ownership - per kW of billing demand/month	\$/kW	(0.60)
Primary Metering Allowance for transformer losses – applied to measured demand and energy	%	(1.00)

LOSS FACTORS

Total Loss Factor – Secondary Metered Customer < 5,000 kW	1.0339
Total Loss Factor – Secondary Metered Customer > 5,000 kW	1.0140
Total Loss Factor – Primary Metered Customer < 5,000 kW	1.0236
Total Loss Factor – Primary Metered Customer > 5,000 kW	1.0039



Ontario Energy Board

2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL

Sheet 1 Utility Information Sheet

Legend:	Input Cell	Pull-Down Menu Option	Output Cell
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Please note that this model uses MACROS. Before starting, please ensure that macros have been enabled.

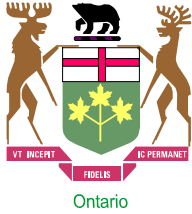
Name of LDC:	St. Thomas Energy Inc.		
Licence Number:	ED-2002-0523		
IRM 2008 EB Number: (if known)	EB-2007-0841		
IRM 2007 EB Number:	EB-2007-0577		
EDR 2006 RP Number:	RP-2005-0020	EDR 2006 EB Number:	EB-2005-0416
Date of Submission:	10/29/07	Last Saved Date:	03/27/08 2:12 PM
Model Version:	3.1		
Contact Information			
Name:	Mr. Dana A. Witt, CGA		
Title:	Chief Financial Officer		
Phone Number:	1-519-631-4211 Ext # 223		
E-Mail Address:	dwitt@stenergy.com		

Please Note: In the event of an inconsistency between this model and any element of the December 20, 2006 "Report of the Board on Cost of Capital and 2nd Generation Incentive Regulation of Ontario's Electricity Distributors", the Report governs.

Comments

Copyright

This IRM adjustment model is protected by copyright and is being made available to you solely for the purpose of preparing or reviewing an IRM adjustment application. You may use and copy this model for that purpose, and provide a copy of this model to any person that is advising or assisting you in that regard. Except as indicated above, any copying, reproduction, publication, sale, adaptation, translation, modification, reverse engineering or other use or dissemination of this model without the express written consent of the Ontario Energy Board is prohibited. If you provide a copy of this model to a person that is advising or assisting you in preparing or reviewing an IRM adjustment application, you must ensure that the person understands and agrees to the restrictions noted above.



2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL

St. Thomas Energy Inc.

EB-2007-0841, EB-2007-0577, EB-2005-0416

October-29-07

Sheet 2 - 2007 Rate Classes

Are you changing the descriptions of any of your Service Classifications?

YES NO

Service Classifications, including descriptions, can be found on your Board Approved 2007 Tariff of Rates and Charges.

Instructions:

(In some instances, rate classifications may differ from service classifications. The following table accounts for those differences.)

Using the pull-down list in column B, choose the classes that match those on your Board-Approved 2007 Tariff of Rates and Charges, are found under sub-heading "Monthly Rates and Charges". (If a Rate Classification needs to be added to the pull-down list, please contact the Board.)

Indicate which Rate Classifications exist using the pull-down menu in column C.

Changes made to the Class names will affect the rest of the model.

Upon completion, press the update button.

LEGEND

INPUT CELLS

PULL-DOWN MENU

OUTPUT CELLS

	Rate Classifications	Currently in Place
1	Residential	Yes
2	General Service Less Than 50 kW	Yes
3	General Service 50 to 4,999 kW	Yes
4	Large Use	Yes
5	Unmetered Scattered Load	Yes
6	Sentinel Lighting	Yes
7	Street Lighting	Yes
8	Rate Class 8	No
9	Rate Class 9	No
10	Rate Class 10	No
11	Rate Class 11	No
12	Rate Class 12	No
13	Rate Class 13	No
14	Rate Class 14	No
15	Rate Class 15	No
16	Rate Class 16	No





2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL

St. Thomas Energy Inc.

EB-2007-0841, EB-2007-0577, EB-2005-0416

October-29-07

Sheet 3 - 2007 Board-Approved Tariff of Rates and Charges

MONTHLY RATES AND CHARGES

Using the pull-down menu in column H below, indicate whether (Yes) or not (No) the rate riders will be continuing into the 2008-09 rate year

Residential

Service Charge	\$	11.34	
Distribution Volumetric Rate	\$/kWh	0.0158	
Rate Rider 1 (if applicable)			
Rate Rider 2 (if applicable)			
Regulatory Asset Recovery	\$/kWh	0.0010	No
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0053	
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0045	
Retail Transmission Rate – Network Service Rate (if applicable)	\$/kWh		
Retail Transmission Rate – Line and Transformation Connection Service Rate (if applicable)	\$/kWh		
Retail Transmission Rate – Network Service Rate (if applicable)	\$/kWh		
Retail Transmission Rate – Line and Transformation Connection Service Rate (if applicable)	\$/kWh		
Wholesale Market Service Rate	\$/kWh	0.0052	
Rural Rate Protection Charge	\$/kWh	0.0010	
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25	

General Service Less Than 50 kW

Service Charge	\$	15.96	
Distribution Volumetric Rate	\$/kWh	0.0144	
Rate Rider 1 (if applicable)			
Rate Rider 2 (if applicable)			
Regulatory Asset Recovery	\$/kWh	0.0006	No
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0048	
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0040	
Retail Transmission Rate – Network Service Rate (if applicable)	\$/kWh		
Retail Transmission Rate – Line and Transformation Connection Service Rate (if applicable)	\$/kWh		
Retail Transmission Rate – Network Service Rate (if applicable)	\$/kWh		
Retail Transmission Rate – Line and Transformation Connection Service Rate (if applicable)	\$/kWh		
Wholesale Market Service Rate	\$/kWh	0.0052	
Rural Rate Protection Charge	\$/kWh	0.0010	
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25	

General Service 50 to 4,999 kW

Service Charge	\$	74.10	
Distribution Volumetric Rate	\$/kW	2.9983	
Rate Rider 1 (if applicable)			
Rate Rider 2 (if applicable)			
Regulatory Asset Recovery	\$/kW	0.0386	No
Retail Transmission Rate – Network Service Rate	\$/kW	1.9655	
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	1.5992	
Retail Transmission Rate – Network Service Rate (if applicable)	\$/kW		
Retail Transmission Rate – Line and Transformation Connection Service Rate (if applicable)	\$/kW		
Retail Transmission Rate – Network Service Rate (if applicable)	\$/kW		
Retail Transmission Rate – Line and Transformation Connection Service Rate (if applicable)	\$/kW		
Wholesale Market Service Rate	\$/kWh	0.0052	
Rural Rate Protection Charge	\$/kWh	0.0010	
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25	

Large Use

Service Charge	\$	612.95	
Distribution Volumetric Rate	\$/kW	0.7152	
Rate Rider 1 (if applicable)			
Rate Rider 2 (if applicable)			
Regulatory Asset Recovery	\$/kW	0.1462	No
Retail Transmission Rate – Network Service Rate - Interval Metered	\$/kW	2.3114	
Retail Transmission Rate – Line and Transformation Connection Service Rate - Interval Metered	\$/kW	2.0048	
Retail Transmission Rate – Network Service Rate (if applicable)	\$/kW		
Retail Transmission Rate – Line and Transformation Connection Service Rate (if applicable)	\$/kW		
Retail Transmission Rate – Network Service Rate (if applicable)	\$/kW		
Retail Transmission Rate – Line and Transformation Connection Service Rate (if applicable)	\$/kW		
Wholesale Market Service Rate	\$/kWh	0.0052	
Rural Rate Protection Charge	\$/kWh	0.0010	
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25	



2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL

St. Thomas Energy Inc.

EB-2007-0841, EB-2007-0577, EB-2005-0416

October-29-07

Ontario

Sheet 3 - 2007 Board-Approved Tariff of Rates and Charges

Unmetered Scattered Load

Service Charge (per customer)	\$	7.85	
Distribution Volumetric Rate	\$/kWh	0.0144	
Rate Rider 1 (if applicable)			
Rate Rider 2 (if applicable)			
Regulatory Asset Recovery	\$/kWh	0.0002	No
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0048	
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0040	
Retail Transmission Rate – Network Service Rate (if applicable)	\$/kWh		
Retail Transmission Rate – Line and Transformation Connection Service Rate (if applicable)	\$/kWh		
Retail Transmission Rate – Network Service Rate (if applicable)	\$/kWh		
Retail Transmission Rate – Line and Transformation Connection Service Rate (if applicable)	\$/kWh		
Wholesale Market Service Rate	\$/kWh	0.0052	
Rural Rate Protection Charge	\$/kWh	0.0010	
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25	

Sentinel Lighting

Service Charge (per connection)	\$	1.32	
Distribution Volumetric Rate	\$/kW	5.1868	
Rate Rider 1 (if applicable)			
Rate Rider 2 (if applicable)			
Regulatory Asset Recovery	\$/kW	5.4035	No
Retail Transmission Rate – Network Service Rate	\$/kW	1.4898	
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	1.2622	
Retail Transmission Rate – Network Service Rate (if applicable)	\$/kW		
Retail Transmission Rate – Line and Transformation Connection Service Rate (if applicable)	\$/kW		
Retail Transmission Rate – Network Service Rate (if applicable)	\$/kW		
Retail Transmission Rate – Line and Transformation Connection Service Rate (if applicable)	\$/kW		
Wholesale Market Service Rate	\$/kWh	0.0052	
Rural Rate Protection Charge	\$/kWh	0.0010	
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25	

Street Lighting

Service Charge (per connection)	\$	0.04	
Distribution Volumetric Rate	\$/kW	0.2686	
Rate Rider 1 (if applicable)			
Rate Rider 2 (if applicable)			
Regulatory Asset Recovery	\$/kW	(0.3520)	No
Retail Transmission Rate – Network Service Rate	\$/kW	1.4823	
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	1.2363	
Retail Transmission Rate – Network Service Rate (if applicable)	\$/kW		
Retail Transmission Rate – Line and Transformation Connection Service Rate (if applicable)	\$/kW		
Retail Transmission Rate – Network Service Rate (if applicable)	\$/kW		
Retail Transmission Rate – Line and Transformation Connection Service Rate (if applicable)	\$/kW		
Wholesale Market Service Rate	\$/kWh	0.0052	
Rural Rate Protection Charge	\$/kWh	0.0010	
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25	



2008 INCENTIVE RATE MECHANISM ADJUSTMENT

St. Thomas Energy Inc.

EB-2007-0841, EB-2007-0577, EB-2005-0416

October-29-07

Sheet 4 - Smart Meter Information

The smart meter plan rate adder is a monthly service charge for metered customers equivalent to an amount of \$0.30 per month per residential customer for utilities that do not have a plan. A different amount applied to utilities who had a smart meter plan that was modified in accordance with the Decision with Reasons RP-2005-0020 / EB-2005-0529

Please identify the customer classes and sub-classes that the smart meter funding incremental adjustment applies to by inserting the smart meter rate adder into column D. For most utilities, the rate adder can be located in the Board-approved 2007 IRM model. Clicking the cursor on the Residential cell should show the formula for the monthly service charge including the smart meter adder. The adder is the same for all metered classes and sub-classes of a distributor.

Leave column F blank, and the model will by default use the existing rate adder in the following calculations. If a new value of the rate rider is required by a subsequent decision, Board staff will enter the appropriate values in column F.

Smart Meter Rate Adder

	<u>2007 IRM</u>	<u>2008 IRM</u>
Residential	\$ 0.27	
General Service Less Than 50 kW	\$ 0.27	
General Service 50 to 4,999 kW	\$ 0.27	
Large Use	\$ 0.27	



2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL

St. Thomas Energy Inc.

EB-2007-0841, EB-2007-0577, EB-2005-0416

October-29-07

Sheet 5 - Removal of Smart Meter and CDM

Did the applicant receive Board approval for incremental CDM spending (over and above the 3rd tranche) in 2007?

YES NO

Class	2007 Monthly Service Charge	2007 Volumetric Rate Charge	Less: 2007 Smart Meter Adder from Monthly Service Charge		Adjusted Monthly Service Charge	Adjusted Volumetric Charge	
	\$	kW / kWh	\$	\$	\$	kW / kWh	
<i>Residential</i>	\$ 11.34	\$ 0.0158	\$ 0.27	\$ 0.27	\$ 11.07	\$ 0.0158	\$/kWh
<i>General Service Less Than 50 kW</i>	\$ 15.96	\$ 0.0144	\$ 0.27	\$ 0.27	\$ 15.69	\$ 0.0144	\$/kWh
<i>General Service 50 to 4,999 kW</i>	\$ 74.10	\$ 2.9983	\$ 0.27	\$ 0.27	\$ 73.83	\$ 2.9983	\$/kW
<i>Large Use</i>	\$ 612.95	\$ 0.7152	\$ 0.27	\$ 0.27	\$ 612.68	\$ 0.7152	\$/kW
<i>Unmetered Scattered Load</i>	\$ 7.85	\$ 0.0144	-	-	\$ 7.85	\$ 0.0144	\$/kWh
<i>Sentinel Lighting</i>	\$ 1.32	\$ 5.1868	-	-	\$ 1.32	\$ 5.1868	\$/kW
<i>Street Lighting</i>	\$ 0.04	\$ 0.2686	-	-	\$ 0.04	\$ 0.2686	\$/kW



2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL

St. Thomas Energy Inc.

EB-2007-0841, EB-2007-0577, EB-2005-0416

October-29-07

Sheet 6 - K-Factor Derivation

Capital Structure Transition

Size of Utility (Rate Base)

Year	Small [\$0, \$100M)		Med-Small [\$100M, \$250M)		Med-Large [\$250M, \$1B)		Large >=\$1B	
	Debt	Equity	Debt	Equity	Debt	Equity	Debt	Equity
2007	50.0%	50.0%	55.0%	45.0%	60.0%	40.0%	65.0%	35.0%
2008	53.3%	46.7%	57.5%	42.5%	60.0%	40.0%	62.5%	37.5%
2009	56.7%	43.3%	60.0%	40.0%	60.0%	40.0%	60.0%	40.0%
2010	60.0%	40.0%	60.0%	40.0%	60.0%	40.0%	60.0%	40.0%

Cost of Capital parameters

ROE	A	9.00%	(Board Approved 2006 EDR Model, Sheet 3-2, Cell E32)
Debt Rate	B	7.25%	(Board Approved 2006 EDR Model, Sheet 3-2, Cell C25)
Rate Base	C	\$ 21,588,290	(Board Approved 2006 EDR Model, Sheet 3-1, Cell F21)
Size of Utility	D	Small	

Deemed Capital Structure

	Debt	Equity	
Current	E1 50.0%	50.0%	E2 Based on C, copies the deemed D/E from row "2007" of the table
2008	F1 53.3%	46.7%	F2 Based on C, copies the deemed D/E from row "2008" of the table

Cost of Capital

Current	G	8.125%	= (E1 X B) + (E2 X A)	Weighted Average Cost of capital
2008	H	8.07%	= (F1 X B) + (F2 X A)	

Return on Rate Base

Current	I	\$ 1,754,048.56	= C X G / 100
2008	J	\$ 1,741,581.33	= C X H / 100

Distribution Expenses and Revenue Requirement (before PILs)

Distribution Expenses (other than PILs)	K	\$ 3,843,980	(Board Approved 2006 EDR Model, Sheet 4-1, Cell F15)
Base Revenue Requirement	L	\$ 5,544,417	(Board Approved 2006 EDR Model, Sheet 5-5, Cell F27)
Transformer Allowance Credit	M	\$ 178,544	(Board Approved 2006 EDR Model, Sheet 6-3, Cell "Total" in Row R120)

Revenue Requirement (before PILs)

Current	N	\$ 5,598,028.56	= I + K
2008	O	\$ 5,585,561.33	= J + K

Target Net Income (EBIT)

Current	\$ 971,473.05	P1 = I - P2
2008	\$ 907,355.83	Q1 = J - Q2

Interest Expense

Current	\$ 782,575.51	P2 = C X (B X E1 / 100)
2008	\$ 834,225.50	Q2 = C X (B X F1 / 100)

PILs

Tax Rate	R	36.12%	(Board Approved 2006 PILs Model, Sheet "Test Year PILs, Tax Provision", Cell D14)
Large Corporation Tax Allowance (if applicable) - grossed up	\$ -	S	(Board Approved 2006 PILs Model, Sheet "Test Year PILs, Tax Provision", Cell D31)
OCT (Rate Base less \$10,000,000 X 0.30%)	\$ 34,765	T	(Board Approved 2006 PILs Model, Sheet "Test Year PILs, Tax Provision", Cell D30)
PILs Allowance	\$ 757,869	U	(Board Approved 2006 PILs Model, Sheet "Test Year PILs, Tax Provision", Cell D33)
Taxable Income	Current \$ 1,278,846	AC	(Board Approved 2006 PILs Model, Sheet "Test Year PILs, Tax Provision", Cell D11)
	2008 \$ 1,255,687	AD	= AC + (Q1 - P1) * (R / 100)
Federal Tax (grossed up)	Current \$ 723,105	V	= AC * (R / 100) / (1 - R / 100) 757,870
	2008 \$ 710,010	W	= AD * (R / 100) / (1 - R / 100)

Base Revenue Requirement Adjustment (including PILs)

Revenue Requirement (less LCT) (LCT is removed as it was removed in from rates in 2007 EDR)

Current	\$ 6,355,898.09	X	= N + V + T
2008	\$ 6,330,335.86	Y	= O + W + T

Base Revenue Requirement (plus transformer allowance credit)

(Transformer allowance credit needs to be added onto revenue requirement for full rate recovery - similar to LCT calculation in 2007 EDR)

Current	\$ 5,722,961.00	Z	= L + M
2008	\$ 5,697,398.77	AA1	= Z + (Y - X)
Difference	\$ - 25,562.23	AA2	= AA1 - Z
K-factor	-0.4%	AB	= AA2 / Z



2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL

St. Thomas Energy Inc.

EB-2007-0841, EB-2007-0577, EB-2005-0416

October-29-07

Sheet 6A - 2008 Fed Tax Adjustment Factor

	2006		2008	Difference
From 2006 PIL's Model				
2006 Regulatory Taxable Income (<i>K-Factor Cell F69</i>)	1,278,846	A	1,278,846	
2006 Corporate Income Tax Rate (<i>K-Factor Cell C61</i>)	36.12%	B	33.50%	
Corporate PILs/Income Tax Provision for Test Year	461,919	$C = A * B$	428,413	
Income Tax (grossed-up)	723,105	$D = C / (1 - B)$	644,231	-78,874 ← Amount to be adjusted
From 2006 EDR Model				
2006 EDR Base Revenue Requirement From Distribution Rates (<i>K-Factor Cell C84</i>)	5,722,961	E	5,722,961	
Grossed up taxes as a % of Revenue Requirement	12.600%	$F = D / E$	11.300%	-1.300%
				↑ 2008 Federal Tax Rate Adjustment Factor

This calculates the percentage amount that the distribution rates must be reduced by in order to reflect the change in Federal tax rates. The adjustment is calculated by applying the new 2008 tax rates (cell D9) against the 2006 Regulatory Taxable Income (cell D7).



2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL

St. Thomas Energy Inc.

EB-2007-0841, EB-2007-0577, EB-2005-0416

October-29-07

Sheet 7 - Price Cap Adjustment

Note: No inputs are required for this worksheet.

Price Escalator (GDP-IPI)	Average annual expected Productivity Gain (X)	(GDP-IPI) - X	K-Factor	2008 Fed Tax Adjust Factor	Total Price Cap Adjustment
2.1%	1.0%	1.1%	-0.4%	-1.3%	-0.6%
	Adjusted Monthly Service Charge	Monthly Service Charge with Price Cap Adjustment	Adjusted Volumetric Rate (kW / kWh)	Volumetric Rate with Price Cap Adjustment	
<i>Residential</i>	\$ 11.07	\$ 11.00	\$ 0.0158	\$ 0.0157	
<i>General Service Less Than 50 kW</i>	\$ 15.69	\$ 15.60	\$ 0.0144	\$ 0.0143	
<i>General Service 50 to 4,999 kW</i>	\$ 73.83	\$ 73.39	\$ 2.9983	\$ 2.9803	
<i>Large Use</i>	\$ 612.68	\$ 609.00	\$ 0.7152	\$ 0.7109	
<i>Unmetered Scattered Load</i>	\$ 7.85	\$ 7.80	\$ 0.0144	\$ 0.0143	
<i>Sentinel Lighting</i>	\$ 1.32	\$ 1.31	\$ 5.1868	\$ 5.1557	
<i>Street Lighting</i>	\$ 0.04	\$ 0.04	\$ 0.2686	\$ 0.2670	



2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL

St. Thomas Energy Inc.

EB-2007-0841, EB-2007-0577, EB-2005-0416

October-29-07

Sheet 8 - Addback of Smart Meter Rate Adder

Note: No inputs are required for this worksheet.

Class	Monthly Service Charge \$	Add: Smart Meter Rate Adder \$	Adjusted Monthly Service Charge \$	Adjusted Volumetric Charge kW / kWh
<i>Residential</i>	\$ 11.00	\$ 0.27	\$ 11.27	0.0157
<i>General Service Less Than 50 kW</i>	\$ 15.60	\$ 0.27	\$ 15.87	0.0143
<i>General Service 50 to 4,999 kW</i>	\$ 73.39	\$ 0.27	\$ 73.66	2.9803
<i>Large Use</i>	\$ 609.00	\$ 0.27	\$ 609.27	0.7109
<i>Unmetered Scattered Load</i>	\$ 7.80	\$ -	\$ 7.80	0.0143
<i>Sentinel Lighting</i>	\$ 1.31	\$ -	\$ 1.31	5.1557
<i>Street Lighting</i>	\$ 0.04	\$ -	\$ 0.04	0.2670



2008 INCENTIVE RATE MECHANISM ADJUSTMENT

St. Thomas Energy Inc.

EB-2007-0841, EB-2007-0577, EB-2005-0416

October-29-07

Sheet 9. - Z-Factor Rate Rider Adjustment

Is the Applicant seeking Board approval for other rate adjustments? YES NO

Z-Factor rate riders being applied for as part of the 2008 IRM rate adjustments should comply with Section 3.5 and Appendix C of the [Report of the Board on Cost of Capital and 2nd Generation Regulation Mechanism for Ontario's Electricity Distributors](#), iss

In columns C and D below, insert the Z-Factor rate riders associated with the rate adjustment. Provide a brief explanation about the nature of the rate adjustment.

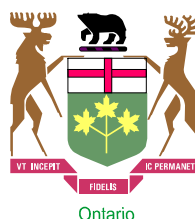
Class	Monthly Service Charge Rate Rider \$	Volumetric Charge Rate Rider kW / kWh
<i>Residential</i>	\$ -	\$ -
<i>General Service Less Than 50 kW</i>	\$ -	\$ -
<i>General Service 50 to 4,999 kW</i>	\$ -	\$ -
<i>Large Use</i>	\$ -	\$ -
<i>Unmetered Scattered Load</i>	\$ -	\$ -
<i>Sentinel Lighting</i>	\$ -	\$ -
<i>Street Lighting</i>	\$ -	\$ -



Instruction: The applicant may input the % value which will applied equally to to all rate classes or enter individual rates.

Retail Transmission Rates - Network Service Rate Adjustment	(Enter % amount here:)	0.0%
Retail Transmission Rates - Line and Transformation Connection Service Rate Adjustment	(Enter % amount here:)	0.0%

		2007 Tariff Sheet	2008 Proposed	% Change
Residential				
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0053	0.0047	-11.3200%
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0045	0.0046	2.2200%
Retail Transmission Rate – Network Service Rate (if applicable)	\$/kWh	0.0000	0.0000	0.0000%
Retail Transmission Rate – Line and Transformation Connection Service Rate (if applicable)	\$/kWh	0.0000	0.0000	0.0000%
Retail Transmission Rate – Network Service Rate (if applicable)	\$/kWh	0.0000	0.0000	0.0000%
Retail Transmission Rate – Line and Transformation Connection Service Rate (if applicable)	\$/kWh	0.0000	0.0000	0.0000%
General Service Less Than 50 kW				
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0048	0.0046	-4.1700%
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0040	0.0045	12.5000%
Retail Transmission Rate – Network Service Rate (if applicable)	\$/kWh	0.0000	0.0000	0.0000%
Retail Transmission Rate – Line and Transformation Connection Service Rate (if applicable)	\$/kWh	0.0000	0.0000	0.0000%
Retail Transmission Rate – Network Service Rate (if applicable)	\$/kWh	0.0000	0.0000	0.0000%
Retail Transmission Rate – Line and Transformation Connection Service Rate (if applicable)	\$/kWh	0.0000	0.0000	0.0000%
General Service 50 to 4,999 kW				
Retail Transmission Rate – Network Service Rate	\$/kW	1.9655	1.8316	-6.8100%
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	1.5992	1.7783	11.2000%
Retail Transmission Rate – Network Service Rate (if applicable)	\$/kW	0.0000	0.0000	0.0000%
Retail Transmission Rate – Line and Transformation Connection Service Rate (if applicable)	\$/kW	0.0000	0.0000	0.0000%
Retail Transmission Rate – Network Service Rate (if applicable)	\$/kW	0.0000	0.0000	0.0000%
Retail Transmission Rate – Line and Transformation Connection Service Rate (if applicable)	\$/kW	0.0000	0.0000	0.0000%



2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL

St. Thomas Energy Inc.

EB-2007-0841, EB-2007-0577, EB-2005-0416

October-29-07

Sheet 9A - 2008 RTS Rate Change

Large Use

Retail Transmission Rate – Network Service Rate - Interval Metered	\$/kW	2.3114	2.1507	-6.9500%
Retail Transmission Rate – Line and Transformation Connection Service Rate - Interval Metered	\$/kW	2.0048	2.0881	4.1600%
Retail Transmission Rate – Network Service Rate (if applicable)	\$/kW	0.0000	0.0000	0.0000%
Retail Transmission Rate – Line and Transformation Connection Service Rate (if applicable)	\$/kW	0.0000	0.0000	0.0000%
Retail Transmission Rate – Network Service Rate (if applicable)	\$/kW	0.0000	0.0000	0.0000%
Retail Transmission Rate – Line and Transformation Connection Service Rate (if applicable)	\$/kW	0.0000	0.0000	0.0000%

Unmetered Scattered Load

Retail Transmission Rate – Network Service Rate	\$/kWh	0.0048	0.0033	-31.2500%
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0040	0.0032	-20.0000%
Retail Transmission Rate – Network Service Rate (if applicable)	\$/kWh	0.0000	0.0000	0.0000%
Retail Transmission Rate – Line and Transformation Connection Service Rate (if applicable)	\$/kWh	0.0000	0.0000	0.0000%
Retail Transmission Rate – Network Service Rate (if applicable)	\$/kWh	0.0000	0.0000	0.0000%
Retail Transmission Rate – Line and Transformation Connection Service Rate (if applicable)	\$/kWh	0.0000	0.0000	0.0000%

Sentinel Lighting

Retail Transmission Rate – Network Service Rate	\$/kW	1.4898	1.1510	-22.7400%
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	1.2622	1.1174	-11.4700%
Retail Transmission Rate – Network Service Rate (if applicable)	\$/kW	0.0000	0.0000	0.0000%
Retail Transmission Rate – Line and Transformation Connection Service Rate (if applicable)	\$/kW	0.0000	0.0000	0.0000%
Retail Transmission Rate – Network Service Rate (if applicable)	\$/kW	0.0000	0.0000	0.0000%
Retail Transmission Rate – Line and Transformation Connection Service Rate (if applicable)	\$/kW	0.0000	0.0000	0.0000%

Street Lighting

Retail Transmission Rate – Network Service Rate	\$/kW	1.4823	1.4122	-4.7300%
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	1.2363	1.3711	10.9000%
Retail Transmission Rate – Network Service Rate (if applicable)	\$/kW	0.0000	0.0000	0.0000%
Retail Transmission Rate – Line and Transformation Connection Service Rate (if applicable)	\$/kW	0.0000	0.0000	0.0000%
Retail Transmission Rate – Network Service Rate (if applicable)	\$/kW	0.0000	0.0000	0.0000%
Retail Transmission Rate – Line and Transformation Connection Service Rate (if applicable)	\$/kW	0.0000	0.0000	0.0000%

St. Thomas Energy Inc.

Tariff OF RATES AND CHARGES

Effective May 1, 2008*

(*Except as otherwise noted)

This schedule supersedes and replaces all previously approved schedules of Rates, Charges, and Loss Factors

EB-2007-0577

FOR OEB STAFF USE ONLY

MONTHLY RATES AND CHARGES

Residential

Service Charge	\$	11.27
Distribution Volumetric Rate	\$/kWh	0.0157
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0047
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0046
Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0010
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

General Service Less Than 50 kW

Service Charge	\$	15.87
Distribution Volumetric Rate	\$/kWh	0.0143
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0046
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0045
Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0010
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

General Service 50 to 4,999 kW

Service Charge	\$	73.66
Distribution Volumetric Rate	\$/kW	2.9803
Retail Transmission Rate – Network Service Rate	\$/kW	1.8316
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	1.7783
Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0010
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

Large Use

Service Charge	\$	609.27
Distribution Volumetric Rate	\$/kW	0.7109
Retail Transmission Rate – Network Service Rate - Interval Metered	\$/kW	2.1507
Retail Transmission Rate – Line and Transformation Connection Service Rate - Interval Metered	\$/kW	2.0881
Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0010
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

Unmetered Scattered Load

Service Charge (per customer)	\$	7.80
Distribution Volumetric Rate	\$/kWh	0.0143
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0033
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0032
Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0010
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

Sentinel Lighting

Service Charge (per connection)	\$	1.31
Distribution Volumetric Rate	\$/kW	5.1557
Retail Transmission Rate – Network Service Rate	\$/kW	1.1510
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	1.1174
Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0010
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

Street Lighting

Service Charge (per connection)	\$	0.04
Distribution Volumetric Rate	\$/kW	0.2670
Retail Transmission Rate – Network Service Rate	\$/kW	1.4122
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	1.3711
Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0010
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

Specific Service Charges

Customer Administration

Arrears certificate	\$	15.00
Statement of account	\$	15.00
Pulling post dated cheques	\$	15.00
Duplicate invoices for previous billing	\$	15.00
Request for other billing information	\$	15.00
Easement letter	\$	15.00
Income tax letter	\$	15.00
Notification charge	\$	15.00
Account history	\$	15.00
Credit reference/credit check (plus credit agency costs)	\$	15.00
Returned cheque charge (plus bank charges)	\$	15.00
Charge to certify cheque	\$	15.00
Legal letter charge	\$	15.00
Account set up charge/change of occupancy charge (plus credit agency costs if applicable)	\$	30.00
Special meter reads	\$	30.00
Meter dispute charge plus Measurement Canada fees (if meter found correct)	\$	30.00

Non-Payment of Account

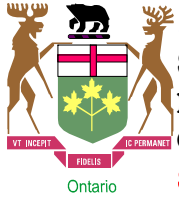
Late Payment - per month	%	1.50
Late Payment - per annum	%	19.56
Collection of account charge - no disconnection	\$	30.00
Collection of account charge - no disconnection - after regular hours	\$	165.00
Disconnect/Reconnect at meter - during regular hours	\$	65.00
Disconnect/Reconnect at meter - after regular hours	\$	185.00
Disconnect/Reconnect at pole - during regular hours	\$	185.00
Disconnect/Reconnect at pole - after regular hours	\$	415.00
Install/Remove load control device - during regular hours	\$	65.00
Install/Remove load control device - after regular hours	\$	185.00
Specific Charge for Access to the Power Poles \$/pole/year	\$	22.35

Allowances

Primary Metering Allowance for transformer losses – applied to measured demand and energy	%	(1.00)
Transformer Allowance for Ownership - per kW of billing demand/month	\$/kW	-0.60

LOSS FACTORS

Total Loss Factor – Secondary Metered Customer < 5,000 kW	1.0339
Total Loss Factor – Secondary Metered Customer > 5,000 kW	1.0140
Total Loss Factor – Primary Metered Customer < 5,000 kW	1.0236
Total Loss Factor – Primary Metered Customer > 5,000 kW	1.0039



2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL

St. Thomas Energy Inc.

EB-2007-0841, EB-2007-0577, EB-2005-0416

October-29-07

Sheet 11 - Distribution Rate Change Summary

Note: No inputs are required for this worksheet.

Residential

Data	Fixed (\$)	Volumetric \$ per kW / kWh
2007 Rates	\$ 11.34	\$ 0.0158
Less: Smart meters	-\$ 0.27	\$ -
Less: CDM	\$ -	\$ -
Add: GDP-IPI - X	\$ 0.12	\$ 0.0002
Add: K-Factor	-\$ 0.04	-\$ 0.0001
Add: Fed Tax Adjustment	-\$ 0.14	-\$ 0.0002
Add: Smart Meters	\$ 0.27	\$ -
Final 2008 Rates	\$ 11.27	\$ 0.0157

General Service Less Than 50 kW

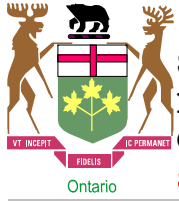
Data	Fixed (\$)	Volumetric \$ per kW / kWh
2007 Rates	\$ 15.96	\$ 0.0144
Less: Smart meters	-\$ 0.27	\$ -
Less: CDM	\$ -	\$ -
Add: GDP-IPI - X	\$ 0.17	\$ 0.0002
Add: K-Factor	-\$ 0.06	-\$ 0.0001
Add: Fed Tax Adjustment	-\$ 0.20	-\$ 0.0002
Add: Smart Meters	\$ 0.27	\$ -
Final 2008 Rates	\$ 15.87	\$ 0.0143

General Service 50 to 4.999 kW

Data	Fixed (\$)	Volumetric \$ per kW / kWh
2007 Rates	\$ 74.10	\$ 2.9983
Less: Smart meters	-\$ 0.27	\$ -
Less: CDM	\$ -	\$ -
Add: GDP-IPI - X	\$ 0.81	\$ 0.0330
Add: K-Factor	-\$ 0.30	-\$ 0.0120
Add: Fed Tax Adjustment	-\$ 0.96	-\$ 0.0390
Add: Smart Meters	\$ 0.27	\$ -
Final 2008 Rates	\$ 73.66	\$ 2.9803

Large Use

Data	Fixed (\$)	Volumetric \$ per kW / kWh
2007 Rates	\$ 612.95	\$ 0.7152
Less: Smart meters	-\$ 0.27	\$ -
Less: CDM	\$ -	\$ -
Add: GDP-IPI - X	\$ 6.74	\$ 0.0079
Add: K-Factor	-\$ 2.45	-\$ 0.0029
Add: Fed Tax Adjustment	-\$ 7.96	-\$ 0.0093
Add: Smart Meters	\$ 0.27	\$ -
Final 2008 Rates	\$ 609.27	\$ 0.7109



2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL

St. Thomas Energy Inc.

EB-2007-0841, EB-2007-0577, EB-2005-0416

October-29-07

Sheet 11 - Distribution Rate Change Summary

Unmetered Scattered Load

Data	Fixed (\$)	Volumetric \$ per kW / kWh
2007 Rates	\$ 7.85	\$ 0.0144
Less: Smart meters	\$ -	\$ -
Less: CDM	\$ -	\$ -
Add: GDP-IPI - X	\$ 0.09	\$ 0.0002
Add: K-Factor	-\$ 0.03	-\$ 0.0001
Add: Fed Tax Adjustment	-\$ 0.10	-\$ 0.0002
Add: Smart Meters	\$ -	\$ -
Final 2008 Rates	\$ 7.80	\$ 0.0143

Sentinel Lighting

Data	Fixed (\$)	Volumetric \$ per kW / kWh
2007 Rates	\$ 1.32	\$ 5.1868
Less: Smart meters	\$ -	\$ -
Less: CDM	\$ -	\$ -
Add: GDP-IPI - X	\$ 0.01	\$ 0.0571
Add: K-Factor	-\$ 0.01	-\$ 0.0207
Add: Fed Tax Adjustment	-\$ 0.02	-\$ 0.0674
Add: Smart Meters	\$ -	\$ -
Final 2008 Rates	\$ 1.31	\$ 5.1557

Street Lighting

Data	Fixed (\$)	Volumetric \$ per kW / kWh
2007 Rates	\$ 0.04	\$ 0.2686
Less: Smart meters	\$ -	\$ -
Less: CDM	\$ -	\$ -
Add: GDP-IPI - X	\$ 0.00	\$ 0.0030
Add: K-Factor	-\$ 0.00	-\$ 0.0011
Add: Fed Tax Adjustment	-\$ 0.00	-\$ 0.0035
Add: Smart Meters	\$ -	\$ -
Final 2008 Rates	\$ 0.04	\$ 0.2670



2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL

St. Thomas Energy Inc.

EB-2007-0841, EB-2007-0577, EB-2005-0416

October-29-07

Sheet 12 - Annualized Bill Impact

Instructions

(Remember, green cells are input cells)

1. Enter your desired consumption in both kWh and kW (if needed) into the green cells beneath the class name.
2. The Debt Retirement Charge (DRC) has been set at \$0.07. The figure can be overwritten if your LDC bills a different amount for the DRC.

Regulated Price Plan Residential	May-07 Threshold	May-07 \$ / kWh	May-08 Threshold	May-08 \$ / kWh
less than or equal to	600	\$ 0.053	600	\$ 0.053
greater than	> 600	\$ 0.062	> 600	\$ 0.062

Regulated Price Plan Non-Residential	May-07 Threshold	May-07 \$ / kWh	May-08 Threshold	May-08 \$ / kWh
less than or equal to	750	\$ 0.053	750	\$ 0.053
greater than	> 750	\$ 0.062	> 750	\$ 0.062

Residential

Consumption	1,000 kWh	0 kW	Loss Factor 1.0339
--------------------	------------------	-------------	---------------------------

	2007 BILL			2008 BILL			IMPACT		
	Volume	RATE \$	CHARGE \$	Volume	RATE \$	CHARGE \$	\$	%	% of Total Bill
Energy First Tier (kWh)	600	\$ 0.0530	\$ 31.80	600	\$ 0.0530	\$ 31.80	\$0.00	0.0%	27.80%
Energy Second Tier (kWh)	434	\$ 0.0620	\$ 26.90	434	\$ 0.0620	\$ 26.90	\$0.00	0.0%	23.52%
Sub-Total: Energy			\$ 58.70			\$ 58.70	\$0.00	0.0%	51.32%
Monthly Service Charge	1	\$ 11.34	\$ 11.34	1	\$ 11.27	\$ 11.27	-\$0.07	(0.6)%	9.85%
Distribution (kWh)	1,000	\$ 0.0158	\$ 15.80	1,000	\$ 0.0157	\$ 15.70	-\$0.10	(0.6)%	13.72%
Distribution (kW)	0	\$ -	\$ -	0	\$ -	\$ -	\$0.00	0.0%	0.00%
Regulatory Assets (kWh)	1,000	\$ 0.0010	\$ 1.00	1,000	\$ -	\$ -	-\$1.00	(100.0)%	0.00%
Rate Riders	1,000	\$ -	\$ -	1,000	\$ -	\$ -	\$0.00	0.0%	0.00%
Monthly Rate Rider Adjustment (Sheet 9)	N/A	N/A	N/A	1	\$ -	\$ -	\$0.00	0.0%	0.00%
Volumetric Rate Rider Adjustment (Sheet 9)	N/A	N/A	N/A	1,000	\$ -	\$ -	\$0.00	0.0%	0.00%
Retail Transmission Rate – Network Service Rate	1,034	\$ 0.0053	\$ 5.48	1,034	\$ 0.0047	\$ 4.86	-\$0.62	(11.3)%	4.25%
Retail Transmission Rate – Line and Transformation Connection Service Rate	1,034	\$ 0.0045	\$ 4.65	1,034	\$ 0.0046	\$ 4.76	\$0.10	2.2%	4.16%
Sub-Total: Delivery			\$ 38.27			\$ 36.59	-\$1.69	(4.4)%	31.98%
Wholesale Market Service Rate	1034	\$ 0.0052	\$ 5.38	1034	\$ 0.0052	\$ 5.38	\$0.00	0.0%	4.70%
Rural Rate Protection Charge	1034	\$ 0.0010	\$ 1.03	1034	\$ 0.0010	\$ 1.03	\$0.00	0.0%	0.90%
Regulated Price Plan – Administration Charge	1	\$ 0.2500	\$ 0.25	1	\$ 0.2500	\$ 0.25	\$0.00	0.0%	0.22%
Sub-Total: Regulatory			\$ 6.66			\$ 6.66	\$0.00	0.0%	5.82%
Debt Retirement Charge (DRC)	1,000	\$ 0.0070	\$ 7.00	1,000	\$ 0.0070	\$ 7.00	\$0.00	0.0%	6.12%
Total Bill before Taxes			\$ 110.63			\$ 108.95	-\$1.69	(1.5)%	95.24%
GST	\$ 110.63	6.00%	\$ 6.64	\$ 108.95	5.00%	\$ 5.45	-\$1.19	(17.9)%	4.76%
Total Bill after Taxes			\$ 117.27			\$ 114.39	-\$2.88	(2.5)%	100.00%



2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL

St. Thomas Energy Inc.

EB-2007-0841, EB-2007-0577, EB-2005-0416

October-29-07

Sheet 12 - Annualized Bill Impact

Instructions

(Remember, green cells are input cells)

1. Enter your desired consumption in both kWh and kW (if needed) into the green cells beneath the class name.
2. The Debt Retirement Charge (DRC) has been set at \$0.07. The figure can be overwritten if your LDC bills a different amount for the DRC.

General Service Less Than 50 kW

Consumption	2,000 kWh	0 kW	Loss Factor 1.0339
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	2007 BILL			2008 BILL			IMPACT		
	Volume	RATE \$	CHARGE \$	Volume	RATE \$	CHARGE \$	\$	%	% of Total Bill
Energy First Tier (kWh)	750	\$ 0.0530	\$ 39.75	750	\$ 0.0530	\$ 39.75	\$0.00	0.0%	34.75%
Energy Second Tier (kWh)	1,318	\$ 0.0620	\$ 81.70	1,318	\$ 0.0620	\$ 81.70	\$0.00	0.0%	71.42%
Sub-Total: Energy			\$ 121.45			\$ 121.45	\$0.00	0.0%	106.17%
Monthly Service Charge	1	\$ 15.96	\$ 15.96	1	\$ 15.87	\$ 15.87	-\$0.09	(0.6)%	13.87%
Distribution (kWh)	2,000	\$ 0.0144	\$ 28.80	2,000	\$ 0.0143	\$ 28.60	-\$0.20	(0.7)%	25.00%
Distribution (kW)	0	\$ -	\$ -	0	\$ -	\$ -	\$0.00	0.0%	0.00%
Regulatory Assets (kWh)	2,000	\$ 0.0006	\$ 1.20	2,000	\$ -	\$ -	-\$1.20	(100.0)%	0.00%
Rate Riders	2,000	\$ -	\$ -	2,000	\$ -	\$ -	\$0.00	0.0%	0.00%
Monthly Rate Rider Adjustment (Sheet 9)	N/A	N/A	N/A	1	\$ -	\$ -	\$0.00	0.0%	0.00%
Volumetric Rate Rider Adjustment (Sheet 9)	N/A	N/A	N/A	2,000	\$ -	\$ -	\$0.00	0.0%	0.00%
Retail Transmission Rate – Network Service Rate	2,068	\$ 0.0048	\$ 9.93	2,068	\$ 0.0046	\$ 9.51	-\$0.41	(4.2)%	8.31%
Retail Transmission Rate – Line and Transformation Connection Service Rate	2,068	\$ 0.0040	\$ 8.27	2,068	\$ 0.0045	\$ 9.31	\$1.03	12.5%	8.13%
Sub-Total: Delivery			\$ 64.16			\$ 63.29	-\$0.87	(1.4)%	55.32%
Wholesale Market Service Rate	2068	\$ 0.0052	\$ 10.75	2068	\$ 0.0052	\$ 10.75	\$0.00	0.0%	9.40%
Rural Rate Protection Charge	2068	\$ 0.0010	\$ 2.07	2068	\$ 0.0010	\$ 2.07	\$0.00	0.0%	1.81%
Regulated Price Plan – Administration Charge	1	\$ 0.2500	\$ 0.25	1	\$ 0.2500	\$ 0.25	\$0.00	0.0%	0.22%
Sub-Total: Regulatory			\$ 13.07			\$ 13.07	\$0.00	0.0%	11.43%
Debt Retirement Charge (DRC)	2,000	\$ 0.0070	\$ 14.00	2,000	\$ 0.0070	\$ 14.00	\$0.00	0.0%	12.24%
Total Bill before Taxes			\$ 212.68			\$ 211.81	-\$0.87	(0.4)%	185.16%
GST	\$ 212.68	6.00%	\$ 12.76	\$ 211.81	5.00%	\$ 10.59	-\$2.17	(17.0)%	9.26%
Total Bill after Taxes			\$ 225.44			\$ 222.40	-\$3.04	(1.3)%	194.42%

General Service 50 to 4,999 kW

Consumption	500,000 kWh	800 kW	Loss Factor 1.0339
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	2007 BILL			2008 BILL			IMPACT		
	Volume	RATE \$	CHARGE \$	Volume	RATE \$	CHARGE \$	\$	%	% of Total Bill
Energy First Tier (kWh)	750	\$ 0.0530	\$ 39.75	750	\$ 0.0530	\$ 39.75	\$0.00	0.0%	34.75%
Energy Second Tier (kWh)	516,200	\$ 0.0620	\$ 32,004.40	516,200	\$ 0.0620	\$ 32,004.40	\$0.00	0.0%	27977.19%
Sub-Total: Energy			\$ 32,044.15			\$ 32,044.15	\$0.00	0.0%	28011.94%
Monthly Service Charge	1	\$ 74.10	\$ 74.10	1	\$ 73.66	\$ 73.66	-\$0.44	(0.6)%	64.39%
Distribution (kWh)	500,000	\$ -	\$ -	500,000	\$ -	\$ -	\$0.00	0.0%	0.00%
Distribution (kW)	800	\$ 2.9983	\$ 2,398.64	800	\$ 2.9803	\$ 2,384.24	-\$14.40	(0.6)%	2084.22%
Regulatory Assets (kWh)	800	\$ 0.0386	\$ 30.88	800	\$ -	\$ -	-\$30.88	(100.0)%	0.00%
Rate Riders	800	\$ -	\$ -	800	\$ -	\$ -	\$0.00	0.0%	0.00%
Monthly Rate Rider Adjustment (Sheet 9)	N/A	N/A	N/A	1	\$ -	\$ -	\$0.00	0.0%	0.00%
Volumetric Rate Rider Adjustment (Sheet 9)	N/A	N/A	N/A	800	\$ -	\$ -	\$0.00	0.0%	0.00%
Retail Transmission Rate – Network Service Rate	827	\$ 1.9655	\$ 1,625.70	827	\$ 1.8316	\$ 1,514.95	-\$110.75	(6.8)%	1324.32%
Retail Transmission Rate – Line and Transformation Connection Service Rate	827	\$ 1.5992	\$ 1,322.73	827	\$ 1.7783	\$ 1,470.87	\$148.14	11.2%	1285.78%
Sub-Total: Delivery			\$ 5,452.05			\$ 5,443.72	-\$8.33	(0.2)%	4758.72%
Wholesale Market Service Rate	516950	\$ 0.0052	\$ 2,688.14	516950	\$ 0.0052	\$ 2,688.14	\$0.00	0.0%	2349.88%
Rural Rate Protection Charge	516950	\$ 0.0010	\$ 516.95	516950	\$ 0.0010	\$ 516.95	\$0.00	0.0%	451.90%
Regulated Price Plan – Administration Charge	1	\$ 0.2500	\$ 0.25	1	\$ 0.2500	\$ 0.25	\$0.00	0.0%	0.22%
Sub-Total: Regulatory			\$ 3,205.34			\$ 3,205.34	\$0.00	0.0%	2802.00%
Debt Retirement Charge (DRC)	500,000	\$ 0.0070	\$ 3,500.00	500,000	\$ 0.0070	\$ 3,500.00	\$0.00	0.0%	3059.58%
Total Bill before Taxes			\$ 44,201.54			\$ 44,193.21	-\$8.33	(0.0)%	38632.25%
GST	\$ 44,201.54	6.00%	\$ 2,652.09	\$ 44,193.21	5.00%	\$ 2,209.66	-\$442.43	(16.7)%	1931.61%
Total Bill after Taxes			\$ 46,853.64			\$ 46,402.87	-\$450.77	(1.0)%	40563.86%



2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL

St. Thomas Energy Inc.

EB-2007-0841, EB-2007-0577, EB-2005-0416

October-29-07

Sheet 12 - Annualized Bill Impact

Instructions

(Remember, green cells are input cells)

1. Enter your desired consumption in both kWh and kW (if needed) into the green cells beneath the class name.
2. The Debt Retirement Charge (DRC) has been set at \$0.07. The figure can be overwritten if your LDC bills a different amount for the DRC.

Large Use

Consumption	3,500,000 kWh	6,700 kW	Loss Factor 1.014
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	2007 BILL			2008 BILL			IMPACT		
	Volume	RATE \$	CHARGE \$	Volume	RATE \$	CHARGE \$	\$	%	% of Total Bill
Energy First Tier (kWh)	750	\$ 0.0530	\$ 39.75	750	\$ 0.0530	\$ 39.75	\$0.00	0.0%	34.75%
Energy Second Tier (kWh)	3,548,250	\$ 0.0620	\$ 219,991.50	3,548,250	\$ 0.0620	\$ 219,991.50	\$0.00	0.0%	192309.32%
Sub-Total: Energy			\$ 220,031.25			\$ 220,031.25	\$0.00	0.0%	192344.07%
Monthly Service Charge	1	\$ 612.95	\$ 612.95	1	\$ 609.27	\$ 609.27	-\$3.68	(0.6)%	532.61%
Distribution (kWh)	3,500,000	\$ -	\$ -	3,500,000	\$ -	\$ -	\$0.00	0.0%	0.00%
Distribution (kW)	6,700	\$ 0.7152	\$ 4,791.84	6,700	\$ 0.7109	\$ 4,763.03	-\$28.81	(0.6)%	4163.68%
Regulatory Assets (kWh)	6,700	\$ 0.1462	\$ 979.54	6,700	\$ -	\$ -	-\$979.54	(100.0)%	0.00%
Rate Riders	6,700	\$ -	\$ -	6,700	\$ -	\$ -	\$0.00	0.0%	0.00%
Monthly Rate Rider Adjustment (Sheet 9)	N/A	N/A	N/A	1	\$ -	\$ -	\$0.00	0.0%	0.00%
Volumetric Rate Rider Adjustment (Sheet 9)	N/A	N/A	N/A	6,700	\$ -	\$ -	\$0.00	0.0%	0.00%
Retail Transmission Rate – Network Service Rate	6,794	\$ 2.3114	\$ 15,703.19	6,794	\$ 2.1507	\$ 14,611.43	-\$1,091.76	(7.0)%	12772.83%
Retail Transmission Rate – Line and Transformation Connection Service Rate	6,794	\$ 2.0048	\$ 13,620.21	6,794	\$ 2.0881	\$ 14,186.13	\$565.92	4.2%	12401.05%
Sub-Total: Delivery			\$ 35,707.73			\$ 34,169.86	-\$1,537.87	(4.3)%	29870.17%
Wholesale Market Service Rate	3549000	\$ 0.0052	\$ 18,454.80	3549000	\$ 0.0052	\$ 18,454.80	\$0.00	0.0%	16132.58%
Rural Rate Protection Charge	3549000	\$ 0.0010	\$ 3,549.00	3549000	\$ 0.0010	\$ 3,549.00	\$0.00	0.0%	3102.42%
Regulated Price Plan – Administration Charge	1	\$ 0.2500	\$ 0.25	1	\$ 0.2500	\$ 0.25	\$0.00	0.0%	0.22%
Sub-Total: Regulatory			\$ 22,004.05			\$ 22,004.05	\$0.00	0.0%	19235.22%
Debt Retirement Charge (DRC)	3,500,000	\$ 0.0070	\$ 24,500.00	3,500,000	\$ 0.0070	\$ 24,500.00	\$0.00	0.0%	21417.09%
Total Bill before Taxes			\$ 302,243.03			\$ 300,705.16	-\$1,537.87	(0.5)%	262866.54%
GST	\$ 302,243.03	6.00%	\$ 18,134.58	\$300,705.16	5.00%	\$ 15,035.26	-\$3,099.32	(17.1)%	13143.33%
Total Bill after Taxes			\$ 320,377.61			\$ 315,740.42	-\$4,637.19	(1.4)%	276009.87%

Unmetered Scattered Load

Consumption	250 kWh	0 kW	Loss Factor 1.0339
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	2007 BILL			2008 BILL			IMPACT		
	Volume	RATE \$	CHARGE \$	Volume	RATE \$	CHARGE \$	\$	%	% of Total Bill
Energy First Tier (kWh)	258	\$ 0.0530	\$ 13.70	258	\$ 0.0530	\$ 13.70	\$0.00	0.0%	11.98%
Energy Second Tier (kWh)	0	\$ 0.0620	\$ -	0	\$ 0.0620	\$ -	\$0.00	0.0%	0.00%
Sub-Total: Energy			\$ 13.70			\$ 13.70	\$0.00	0.0%	11.98%
Monthly Service Charge	1	\$ 7.85	\$ 7.85	1	\$ 7.80	\$ 7.80	-\$0.05	(0.6)%	6.82%
Distribution (kWh)	250	\$ 0.0144	\$ 3.60	250	\$ 0.0143	\$ 3.58	-\$0.02	(0.7)%	3.13%
Distribution (kW)	0	\$ -	\$ -	0	\$ -	\$ -	\$0.00	0.0%	0.00%
Regulatory Assets (kWh)	250	\$ 0.0002	\$ 0.05	250	\$ -	\$ -	-\$0.05	(100.0)%	0.00%
Rate Riders	250	\$ -	\$ -	250	\$ -	\$ -	\$0.00	0.0%	0.00%
Monthly Rate Rider Adjustment (Sheet 9)	N/A	N/A	N/A	1	\$ -	\$ -	\$0.00	0.0%	0.00%
Volumetric Rate Rider Adjustment (Sheet 9)	N/A	N/A	N/A	250	\$ -	\$ -	\$0.00	0.0%	0.00%
Retail Transmission Rate – Network Service Rate	258	\$ 0.0048	\$ 1.24	258	\$ 0.0033	\$ 0.85	-\$0.39	(31.3)%	0.75%
Retail Transmission Rate – Line and Transformation Connection Service Rate	258	\$ 0.0040	\$ 1.03	258	\$ 0.0032	\$ 0.83	-\$0.21	(20.0)%	0.72%
Sub-Total: Delivery			\$ 13.77			\$ 13.06	-\$0.72	(5.2)%	11.41%
Wholesale Market Service Rate	258	\$ 0.0052	\$ 1.34	258	\$ 0.0052	\$ 1.34	\$0.00	0.0%	1.17%
Rural Rate Protection Charge	258	\$ 0.0010	\$ 0.26	258	\$ 0.0010	\$ 0.26	\$0.00	0.0%	0.23%
Regulated Price Plan – Administration Charge	1	\$ 0.2500	\$ 0.25	1	\$ 0.2500	\$ 0.25	\$0.00	0.0%	0.22%
Sub-Total: Regulatory			\$ 1.85			\$ 1.85	\$0.00	0.0%	1.62%
Debt Retirement Charge (DRC)	250	\$ 0.0070	\$ 1.75	250	\$ 0.0070	\$ 1.75	\$0.00	0.0%	1.53%
Total Bill before Taxes			\$ 31.08			\$ 30.36	-\$0.72	(2.3)%	26.54%
GST	\$ 31.08	6.00%	\$ 1.86	\$ 30.36	5.00%	\$ 1.52	-\$0.35	(18.6)%	1.33%
Total Bill after Taxes			\$ 32.94			\$ 31.87	-\$1.07	(3.2)%	27.86%



2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL

St. Thomas Energy Inc.

EB-2007-0841, EB-2007-0577, EB-2005-0416

October-29-07

Sheet 12 - Annualized Bill Impact

Instructions

(Remember, green cells are input cells)

1. Enter your desired consumption in both kWh and kW (if needed) into the green cells beneath the class name.
2. The Debt Retirement Charge (DRC) has been set at \$0.07. The figure can be overwritten if your LDC bills a different amount for the DRC.

Sentinel Lighting

Consumption	173 kWh	0 kW	Loss Factor 1.0339
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	2007 BILL			2008 BILL			IMPACT		
	Volume	RATE \$	CHARGE \$	Volume	RATE \$	CHARGE \$	\$	%	% of Total Bill
Energy First Tier (kWh)	179	\$ 0.0530	\$ 9.48	179	\$ 0.0530	\$ 9.48	\$0.00	0.0%	8.29%
Energy Second Tier (kWh)	0	\$ 0.0620	\$ -	0	\$ 0.0620	\$ -	\$0.00	0.0%	0.00%
Sub-Total: Energy			\$ 9.48			\$ 9.48	\$0.00	0.0%	8.29%
Monthly Service Charge	1	\$ 1.32	\$ 1.32	1	\$ 1.31	\$ 1.31	-\$0.01	(0.8)%	1.15%
Distribution (kWh)	173	\$ -	\$ -	173	\$ -	\$ -	\$0.00	0.0%	0.00%
Distribution (kW)	0	\$ 5.1868	\$ 2.49	0	\$ 5.1557	\$ 2.47	-\$0.01	(0.6)%	2.16%
Regulatory Assets (kWh)	0	\$ 5.4035	\$ 2.59	0	\$ -	\$ -	-\$2.59	(100.0)%	0.00%
Rate Riders	0	\$ -	\$ -	0	\$ -	\$ -	\$0.00	0.0%	0.00%
Monthly Rate Rider Adjustment (Sheet 9)	N/A	N/A	N/A	1	\$ -	\$ -	\$0.00	0.0%	0.00%
Volumetric Rate Rider Adjustment (Sheet 9)	N/A	N/A	N/A	0	\$ -	\$ -	\$0.00	0.0%	0.00%
Retail Transmission Rate – Network Service Rate	0	\$ 1.4898	\$ 0.74	0	\$ 1.1510	\$ 0.57	-\$0.17	(22.7)%	0.50%
Retail Transmission Rate – Line and Transformation Connection Service Rate	0	\$ 1.2622	\$ 0.63	0	\$ 1.1174	\$ 0.55	-\$0.07	(11.5)%	0.48%
Sub-Total: Delivery			\$ 7.77			\$ 4.91	-\$2.86	(36.8)%	4.29%
Wholesale Market Service Rate	179	\$ 0.0052	\$ 0.93	179	\$ 0.0052	\$ 0.93	\$0.00	0.0%	0.81%
Rural Rate Protection Charge	179	\$ 0.0010	\$ 0.18	179	\$ 0.0010	\$ 0.18	\$0.00	0.0%	0.16%
Regulated Price Plan – Administration Charge	1	\$ 0.2500	\$ 0.25	1	\$ 0.2500	\$ 0.25	\$0.00	0.0%	0.22%
Sub-Total: Regulatory			\$ 1.36			\$ 1.36	\$0.00	0.0%	1.19%
Debt Retirement Charge (DRC)	173	\$ 0.0070	\$ 1.21	173	\$ 0.0070	\$ 1.21	\$0.00	0.0%	1.06%
Total Bill before Taxes			\$ 19.82			\$ 16.96	-\$2.86	(14.4)%	14.83%
GST	\$ 19.82	6.00%	\$ 1.19	\$ 16.96	5.00%	\$ 0.85	-\$0.34	(28.7)%	0.74%
Total Bill after Taxes			\$ 21.01			\$ 17.81	-\$3.20	(15.2)%	15.57%

Street Lighting

Consumption	215,000 kWh	700 kW	Loss Factor 1.0339
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	2007 BILL			2008 BILL			IMPACT		
	Volume	RATE \$	CHARGE \$	Volume	RATE \$	CHARGE \$	\$	%	% of Total Bill
Energy First Tier (kWh)	750	\$ 0.0530	\$ 39.75	750	\$ 0.0530	\$ 39.75	\$0.00	0.0%	34.75%
Energy Second Tier (kWh)	221,539	\$ 0.0620	\$ 13,735.39	221,539	\$ 0.0620	\$ 13,735.39	\$0.00	0.0%	12007.02%
Sub-Total: Energy			\$ 13,775.14			\$ 13,775.14	\$0.00	0.0%	12041.77%
Monthly Service Charge	1	\$ 0.04	\$ 0.04	1	\$ 0.04	\$ 0.04	\$0.00	0.0%	0.03%
Distribution (kWh)	215,000	\$ -	\$ -	215,000	\$ -	\$ -	\$0.00	0.0%	0.00%
Distribution (kW)	700	\$ 0.2686	\$ 188.02	700	\$ 0.2670	\$ 186.90	-\$1.12	(0.6)%	163.38%
Regulatory Assets (kWh)	700	\$ 0.3520	\$ 246.40	700	\$ -	\$ -	-\$246.40	(100.0)%	0.00%
Rate Riders	700	\$ -	\$ -	700	\$ -	\$ -	\$0.00	0.0%	0.00%
Monthly Rate Rider Adjustment (Sheet 9)	N/A	N/A	N/A	1	\$ -	\$ -	\$0.00	0.0%	0.00%
Volumetric Rate Rider Adjustment (Sheet 9)	N/A	N/A	N/A	700	\$ -	\$ -	\$0.00	0.0%	0.00%
Retail Transmission Rate – Network Service Rate	724	\$ 1.4823	\$ 1,072.78	724	\$ 1.4122	\$ 1,022.05	-\$50.73	(4.7)%	893.44%
Retail Transmission Rate – Line and Transformation Connection Service Rate	724	\$ 1.2363	\$ 894.75	724	\$ 1.3711	\$ 992.31	\$97.56	10.9%	867.44%
Sub-Total: Delivery			\$ 1,909.19			\$ 2,201.30	\$292.11	15.3%	1924.30%
Wholesale Market Service Rate	222289	\$ 0.0052	\$ 1,155.90	222289	\$ 0.0052	\$ 1,155.90	\$0.00	0.0%	1010.45%
Rural Rate Protection Charge	222289	\$ 0.0010	\$ 222.29	222289	\$ 0.0010	\$ 222.29	\$0.00	0.0%	194.32%
Regulated Price Plan – Administration Charge	1	\$ 0.2500	\$ 0.25	1	\$ 0.2500	\$ 0.25	\$0.00	0.0%	0.22%
Sub-Total: Regulatory			\$ 1,378.44			\$ 1,378.44	\$0.00	0.0%	1204.99%
Debt Retirement Charge (DRC)	215,000	\$ 0.0070	\$ 1,505.00	215,000	\$ 0.0070	\$ 1,505.00	\$0.00	0.0%	1315.62%
Total Bill before Taxes			\$ 18,567.77			\$ 18,859.87	\$292.11	1.6%	16486.68%
GST	\$ 18,567.77	6.00%	\$ 1,114.07	\$ 18,859.87	5.00%	\$ 942.99	-\$171.07	(15.4)%	824.33%
Total Bill after Taxes			\$ 19,681.83			\$ 19,802.87	\$121.03	0.6%	17311.01%



2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL

St. Thomas Energy Inc.

EB-2007-0841, EB-2007-0577, EB-2005-0416

October 29, 2007

Sheet 13 - Bill Impacts by Consumption

Click on the Calculate" button to determine a series of bill impacts for each class at different consumption levels.

Please note that the values input into columns C (kWh) and D (kW) below are filler only and may or may not reflect the true consumption n

Class	Consumption kWh	Consumption kW	2007 Bill	2008 Bill	Difference \$	Bill Impact %	Max	Min
Residential	100	0	\$ 22.37	\$ 21.92	-\$ 0.45	-2.0%	-2.0%	-2.5%
	250	0	\$ 37.50	\$ 36.65	-\$ 0.85	-2.3%		
	500	0	\$ 62.71	\$ 61.20	-\$ 1.51	-2.4%		
	600	0	\$ 72.99	\$ 71.21	-\$ 1.78	-2.4%		
	750	0	\$ 89.59	\$ 87.40	-\$ 2.19	-2.4%		
	1,000	0	\$ 117.27	\$ 114.39	-\$ 2.88	-2.5%		
	1,500	0	\$ 172.63	\$ 168.38	-\$ 4.25	-2.5%		
General Service Less Than 50 kW	750	0	\$ 90.81	\$ 89.55	-\$ 1.26	-1.4%	-1.3%	-1.4%
	1,000	0	\$ 117.73	\$ 116.12	-\$ 1.61	-1.4%		
	1,500	0	\$ 171.59	\$ 169.26	-\$ 2.33	-1.4%		
	2,000	0	\$ 225.44	\$ 222.40	-\$ 3.04	-1.3%		
	2,500	0	\$ 279.29	\$ 275.54	-\$ 3.75	-1.3%		
	3,000	0	\$ 333.15	\$ 328.68	-\$ 4.47	-1.3%		
	3,500	0	\$ 387.00	\$ 381.82	-\$ 5.18	-1.3%		
General Service 50 to 4,999 kW	25,000	80	\$ 2,695.79	\$ 2,669.06	-\$ 26.72	-1.0%	-1.0%	-1.0%
	40,000	90	\$ 3,999.49	\$ 3,960.36	-\$ 39.13	-1.0%		
	45,000	100	\$ 4,481.56	\$ 4,437.78	-\$ 43.78	-1.0%		
	50,000	110	\$ 4,963.63	\$ 4,915.20	-\$ 48.43	-1.0%		
	450,000	700	\$ 42,032.92	\$ 41,628.67	-\$ 404.25	-1.0%		
	475,000	750	\$ 44,443.28	\$ 44,015.77	-\$ 427.51	-1.0%		
	500,000	800	\$ 46,853.64	\$ 46,402.87	-\$ 450.77	-1.0%		
Large Use	3,200,000	4,600	\$ 284,500.54	\$ 280,706.72	-\$ 3,793.82	-1.3%	-1.3%	-1.5%
	3,300,000	4,900	\$ 294,238.64	\$ 290,280.82	-\$ 3,957.82	-1.3%		
	3,100,000	5,000	\$ 278,649.05	\$ 274,814.26	-\$ 3,834.79	-1.4%		
	3,000,000	5,800	\$ 275,018.49	\$ 271,025.60	-\$ 3,992.89	-1.5%		
	2,700,000	6,000	\$ 251,911.73	\$ 248,088.74	-\$ 3,822.98	-1.5%		
	2,800,000	6,300	\$ 261,649.83	\$ 257,662.84	-\$ 3,986.98	-1.5%		
	3,500,000	6,700	\$ 320,377.61	\$ 315,740.42	-\$ 4,637.19	-1.4%		
Unmetered Scattered Load	100	0	\$ 18.33	\$ 17.82	-\$ 0.51	-2.8%	-2.8%	-3.6%
	250	0	\$ 32.94	\$ 31.87	-\$ 1.07	-3.2%		
	500	0	\$ 57.30	\$ 55.30	-\$ 2.00	-3.5%		
	600	0	\$ 67.04	\$ 64.67	-\$ 2.37	-3.5%		
	750	0	\$ 81.89	\$ 78.96	-\$ 2.93	-3.6%		
	1,000	0	\$ 108.71	\$ 104.82	-\$ 3.89	-3.6%		
	1,500	0	\$ 162.36	\$ 156.55	-\$ 5.80	-3.6%		



2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL

St. Thomas Energy Inc.

EB-2007-0841, EB-2007-0577, EB-2005-0416

October 29, 2007

Sheet 13 - Bill Impacts by Consumption

Click on the Calculate" button to determine a series of bill impacts for each class at different consumption levels.

Please note that the values input into columns C (kWh) and D (kW) below are filler only and may or may not reflect the true consumption n

Class	Consumption kWh	Consumption kW	2007 Bill	2008 Bill	Difference \$	Bill Impact %	Max	Min
Sentinel Lighting	35	0	\$ 5.58	\$ 4.91	-\$ 0.67	-12.0%	-12.0%	-15.2%
	48	0	\$ 7.03	\$ 6.12	-\$ 0.91	-12.9%		
	58	0	\$ 8.14	\$ 7.05	-\$ 1.08	-13.3%		
	69	0	\$ 9.36	\$ 8.08	-\$ 1.28	-13.7%		
	76	0	\$ 10.15	\$ 8.73	-\$ 1.41	-13.9%		
	108	0	\$ 13.75	\$ 11.74	-\$ 2.01	-14.6%		
	173	0	\$ 21.01	\$ 17.81	-\$ 3.20	-15.2%		
Street Lighting	1,700	5	\$ 147.28	\$ 148.09	\$ 0.80	0.5%	0.8%	0.5%
	1,600	5	\$ 139.07	\$ 139.95	\$ 0.88	0.6%		
	1,500	5	\$ 130.85	\$ 131.81	\$ 0.96	0.7%		
	1,400	5	\$ 122.64	\$ 123.67	\$ 1.03	0.8%		
	185,000	600	\$ 16,927.85	\$ 17,031.05	\$ 103.20	0.6%		
	200,000	650	\$ 18,304.84	\$ 18,416.96	\$ 112.12	0.6%		
	215,000	700	\$ 19,681.83	\$ 19,802.87	\$ 121.03	0.6%		